

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
811 S. First St., Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy Minerals and Natural Resources  
Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

HOBBS OCD

Form C-141  
Revised August 8, 2011

APR 18 2013  
Submit 1 Copy to appropriate District Office in  
accordance with 19.15.29 NMAC.

RECEIVED

Release Notification and Corrective Action

OPERATOR

☒ Initial Report ☐ Final Report

|                 |   |               |                                      |
|-----------------|---|---------------|--------------------------------------|
| Name of Company | NMR Energy LLC                              | Contact       | Daniel Baker                         |
| Address         | 800 Bering Drive, STE 250 Houston, TX 77057 | Telephone No. | (432) 559-7520                       |
| Facility Name   | Post and Barnhill Battery                   | Facility Type | Battery                              |
| Surface Owner   | Bos Dairy (Issak)                           | Mineral Owner | Kirby Schenck Trust/Tierra Oil Comp. |
|                 |   | API No.       | 30-025-28597 28576<br>(Post #3)      |

LOCATION OF RELEASE

|             |         |          |       |               |                  |               |                |        |
|-------------|---------|----------|-------|---------------|------------------|---------------|----------------|--------|
| Unit Letter | Section | Township | Range | Feet from the | North/South Line | Feet from the | East/West Line | County |
| D           | 1       | 14-S     | 37-E  | 330'          | North            | 330'          | West           | Lea    |

Latitude \_\_\_\_\_ Longitude \_\_\_\_\_

NATURE OF RELEASE

|                             |   |   |            |                            |           |
|-----------------------------|---|---|------------|----------------------------|-----------|
| Type of Release             | Oil and Produced Water  | Volume of Release                         | 3 bbls     | Volume Recovered           | 3 bbls    |
| Source of Release           | Hatch on oil tank leaked  | Date and Hour of Occurrence               | 11/30/2012 | Date and Hour of Discovery | 12/1/2012 |
| Was Immediate Notice Given? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Required | If YES, To Whom?                          |            |                            |           |
| By Whom?                    | Date and Hour   |   |            |                            |           |
| Was a Watercourse Reached?  | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No                                       | If YES, Volume Impacting the Watercourse. |            |                            |           |

If a Watercourse was Impacted, Describe Fully.\*


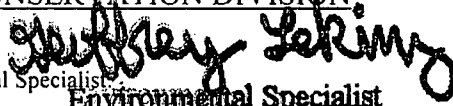
Describe Cause of Problem and Remedial Action Taken.\*

Oil tank #211 had a hatch leak. Estimated 3 bbls of oil and produced water released on ground. The following day, it rained. A vacuum truck was called out to assist in picking up fluid on surface and rain water. Picked up 3 bbls of reportable spill. Transferred 9" (22 bbls) to tank #212. Pulled hatch and jetted tank clean. Checked tank for leaks. Gasket around hatch was determined to be bad. Replaced gasket and hatch. Loaded tank with 130 bbls of FW. Test tank for 4 days. Held good.

NMR Energy is proposing to scrape the surface with a backhoe and have the contaminated soil hauled off. We will then replace with fresh caliche and smooth surface.

Describe Area Affected and Cleanup Action Taken.\*

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the NMOCD marked as "Final Report" does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.

|  |  |                          |
|--|--|--------------------------|
| Signature:  | OIL CONSERVATION DIVISION  |                          |
| Printed Name: Daniel Baker   | Approved by Environmental Specialist <br>Environmental Specialist |                          |
| Title: VP of Engineering   | Approval Date: 4/30/13   | Expiration Date: 7/01/13 |
| E-mail Address: dbaker@tumbleweedllc.com   | Conditions of Approval: CONFIRMATION<br>SAMPLING SHOULD BE PERFORMED<br>WHICH DISPLAYS THAT THE  |                          |
| Date: 4/18/2013 Phone: (432) 559-7520  | Attached <input type="checkbox"/><br>IRP-4-13-2913   |                          |

\* Attach Additional Sheets If Necessary

CONFIRMATION WAS ADEQUATELY  
DELIVERED AND REMEDIATED.  
FINAL C-141 DUE BY 7/01/13

MAY 01 2013